

Carl Sargeant AC / AM  
Y Gweinidog Tai ac Adfywio  
Minister for Housing and Regeneration



Llywodraeth Cymru  
Welsh Government

David Melding AM  
Chair  
Constitutional and Legislative Affairs Committee  
Cardiff Bay  
CARDIFF  
CF99 1NA

26 June 2013

Dear David,

On the 24<sup>th</sup> June I undertook to send your committee a note regarding the provisions for sales and gifting of mobile homes in the Mobile Homes (Wales) Bill (the Bill). This was in response to the concerns raised by Suzy Davies AM that, when their veto over sales was removed, site owners would have no opportunity to 'vet' the character of new site residents.

Under current legislation, an occupier of a mobile home is entitled to sell the mobile home, and assign the agreement to a person approved of by the owner, whose approval must not be unreasonably withheld.

Where the owner receives a request, he must within 28 days approve the person unless it is reasonable for him not to do so, and serve on the occupier notice of his decision whether or not to approve the person. The site owner cannot give his approval subject to conditions. If approval is withheld, reasons must be specified. The site owner can therefore "veto" the sale if they disapprove of the prospective buyer provided they serve notice on the occupier to that effect and give reasons.

It was one of the core provisions of the Bill as introduced by Peter Black that a veto on sales (the site owner's approval) should not apply to agreements between site owners and occupiers.

However, when developing its Stage 2 amendments the Government took account of recommendation 11 of the Communities, Equality and Local Government committee's Stage 1 report that the removal of the owner's right to approve the sale of a mobile should not create unintended consequences for the owner, the buyer or the site residents. As a consequence paragraphs 8 to 10 of schedule 2 of the Bill distinguish between new and existing agreements on the sale of a mobile home and assignment of the agreement.

In respect of new agreements, the occupier is entitled to sell the mobile home and assign the agreement without the site owner's approval. The new occupier must as soon as

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reasonably practicable, notify the owner of the completion of sale and assignment of the agreement and the new occupier is required to pay the owner a commission on sale of the mobile home at a prescribed rate. The "veto" will therefore be removed in respect of new agreements.

The position is slightly different for existing agreements. Where the agreement is not a new agreement, the occupier is entitled to sell the mobile home and assign the agreement without the owner's approval if the occupier serves on the owner a notice of proposed sale naming the person to whom the occupier proposes to sell to and either one of 2 conditions are satisfied. The first of those conditions is either within 21 days the occupier does not receive notice from the owner that he has applied to a Residential Property Tribunal (RPT) for an order preventing sale ("a refusal order"). The second condition is that within 21 days the owner applies to a RPT for a refusal order and the occupier received notice of the application from the owner and the tribunal rejects the application.

As a result of Government amendments, Schedule 2 provides a right of appeal in respect of existing agreements, and in such cases, the owner may apply to the Residential Property Tribunal (RPT) for a refusal order within 21 days of being notified of the proposed sale. Where agreements already exist therefore, site owners will still be able to apply to the RPT for a refusal order if they have legitimate grounds for appeal against a sale or gift. The Welsh Ministers may prescribe the grounds for appeal.

However, and to conclude, site owners will not be able to do this in respect of new agreements. In such cases, the occupier is entitled to sell the mobile home and to assign the agreement to the person to whom the mobile home is sold (the new occupier).

Where site residents do not conduct themselves in an acceptable manner, I believe that there are other provisions in the Bill that will enable site owners to tackle this. For example, Part 3 of the Bill sets out the procedure by which a site resident may be evicted from a site and Part 4 provides for the setting of site rules which relate to the conduct of the site.

As a result of Government amendments, the site rules (when made) form part of the express terms of the agreement between a site owner and an occupier. We believe that this is much fairer system, whereby new residents make a formal and binding commitment to abide by site rules, rather than a judgement being made at an interview by a site owner (on a basis determined by them.)

I trust the above is useful to you. I am copying this letter to Peter Black, AM.



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